



CALIFORNIA HIGH-SPEED RAIL AUTHORITY

MEMORANDUM

To: Chairman Pringle
Authority Members

Date: July 23, 2009

From: Mehdi Morshed
Executive Director

Subject: Agenda Item 8– Request for Proposal for Ridership and Revenue Study

Discussion:

The Authority's current ridership/revenue forecasts utilize a model that was developed by the Metropolitan Transportation Commission (MTC) for the Authority's Bay Area to Central Valley HST Program EIR/EIS document. This model is now being used through a subcontract with Cambridge Systematics (CS) to provide forecasts and data needed for the Authority's Project-level EIR/EIS documents as part of the Program Management contract.

The CS forecasting model is sufficient and appropriate for the Authority's environmental processes and the use of this tool is essential for keeping the environmental work on schedule. Now that the Authority has a long-term mission of building the railroad, the Authority will need a rigorous up-to-date forecasting model for use in all future work including Public Private Partnership (P3) contracts, operation plan, etc. At a minimum, these forecasts would require: 1) updated socioeconomic data for individual regions and the state; 2) more detail regarding future highway, local rail transit, conventional rail, and air services – including potential future investments and travel costs; 3) identification of plausible market responses by competing modes; 4) development of a model to estimate HST ridership by visitors to California; and 5) extensive fare and competitive conditions sensitivity analysis.

Recommendation:

This item was placed on the Agenda to request Board approval for issuance of a Request for Proposal for a new forecasting model. At a recent meeting with Caltrans, we learned that the Department of Transportation (Caltrans) is also planning to pursue a statewide multi-modal forecasting model. At this time, I recommend that we continue our discussions with Caltrans for the possibility of a joint-use forecasting tool. Therefore, no action by the Board is requested under this item.